

Nursing Home Occupancy Rates Utilization by Payment Source:

G

Maryland
Fiscal Year 2003



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Introduction

Introduction

The 2003 Report on Maryland Nursing Home Occupancy Rates and Utilization by Payment Source summarizes data on the occupancy levels and utilization of licensed nursing homes, including comprehensive care and extended care facilities (ECFs). Data provided in this report are obtained from the 2003 Maryland Long Term Care Survey, 2003 Medicaid cost reports, and the Maryland Health Care Commission nursing home bed inventory. The Maryland Long Term Care Survey (COMAR 10.24.03), which is conducted by the Maryland Health Care Commission, is designed to collect a uniform data set from all facilities licensed for comprehensive and extended care as well as facilities licensed for assisted living and adult medical day care. Data included in this report are from Part I of the Maryland Long Term Care Survey, which summarizes facility-level data on utilization, services and finances.

Following the Introduction to this report, highlights of statewide and regional nursing home operating occupancy and utilization during fiscal year 2003 are provided. The third part of this report provides a summary of trends in regional and statewide operating occupancy, followed by a summary of trends in regional and statewide utilization by payment source since 1996. The Technical Notes section describes details of nursing home capacity, and changes in licensed capacity during fiscal year 2003. Facilities with temporarily de-licensed and restricted beds are also discussed in this section. The Technical Notes section also provides a description of the data sources, fiscal year reporting periods, and definitions of the terms used in the report. Appendix A provides summary tables of occupancy rates and utilization by payer source. Data on facility-specific licensed and operating occupancy rates and utilization rates are presented in Appendix B of the report. For each facility, Appendix B includes information on the fiscal year end date, bed capacity at the beginning and end of the fiscal year, available patient days, total fiscal year patient days, percent occupancy, and percent Medicare utilization. Occupancy and bed capacity are shown in two ways: percent occupancy including temporarily de-licensed and restricted beds (licensed bed capacity) and percent occupancy excluding temporarily de-licensed and restricted beds (operating bed capacity).

This report can also be downloaded at the Maryland Health Care Commission website: www.mhcc.maryland.gov

**Nursing Home Occupancy Rates
and Utilization by Payment Source:
Maryland, Fiscal Year 2003**

Highlights of Nursing Occupancy and Utilization by Payment Source: Maryland Fiscal Year 2003

Statewide, there were 245 facilities licensed to operate comprehensive care and extended care facility¹ (ECF) beds during the fiscal year 2003 reporting period. The data summarized in this report is primarily based on facilities' operating capacity. Operating capacity is defined as the number of beds on the facility's license after deducting temporarily de-licensed and restricted beds. Licensed capacity is defined as the total number of beds on a facility's license plus beds that are temporarily de-licensed and restricted (Refer to the Technical Notes on changes in bed capacity).

Nursing homes reporting in fiscal year 2003 had an operating capacity of 28,778 beds, and a licensed capacity of 29,317 beds at the close of the fiscal year. A total of 9,346,287 patient days were provided by comprehensive/ECFs during fiscal year 2003.

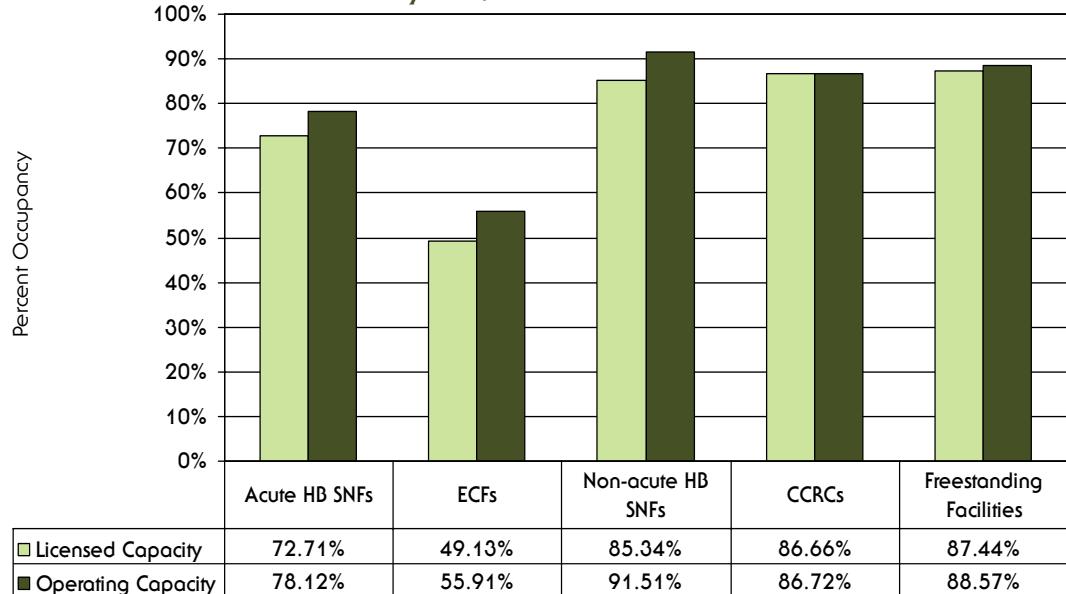
Statewide Operating Occupancy

The statewide operating occupancy for nursing homes was 88.24 percent. The large majority of facilities were freestanding (191 of 245) with an average operating occupancy of 88.57 percent as shown in [Figure 1](#) and also in Appendix A, [Table A-1](#). Extended care facilities had an average operating occupancy rate (55.91 percent) which was lower than the average of all Maryland nursing homes. ECFs include Sacred Heart Hospital ECF (20 beds) and Washington County Hospital ECF (34 beds). Acute hospital-based nursing homes had the second lowest operating occupancy rate (78.12 percent) of all types of Maryland nursing homes. Non-acute hospital-based nursing homes had an operating occupancy rate of 91.51 percent, and include: Western Maryland Center (63 beds), Gladys Spellman Specialty Hospital and Nursing Home (77 beds), Johns Hopkins Geriatric Center (158 beds), Levindale Hebrew Geriatric Center and Hospital (192 beds), and Deer's Head Hospital Center (90 beds).

Nursing home units located in continuing care retirement communities (CCRCs) had an operating occupancy rate of 86.72 percent in fiscal year 2003. Data from the Maryland Department of Aging indicates that 29 of 32 continuing care retirement communities in Maryland operated nursing home units during 2003. Data for all 29 CCRC nursing home units are included in this report. The listing of all CCRCs may be found in the Technical Notes to this report.

¹ ECF is a separate category in the comprehensive care licensure classification, that is provided in acute care hospitals. Union Memorial Hospital ECF was licensed for only six months in

Figure 1
Nursing Home Occupancy by Type of Facility:
Maryland, Fiscal Year 2003



Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

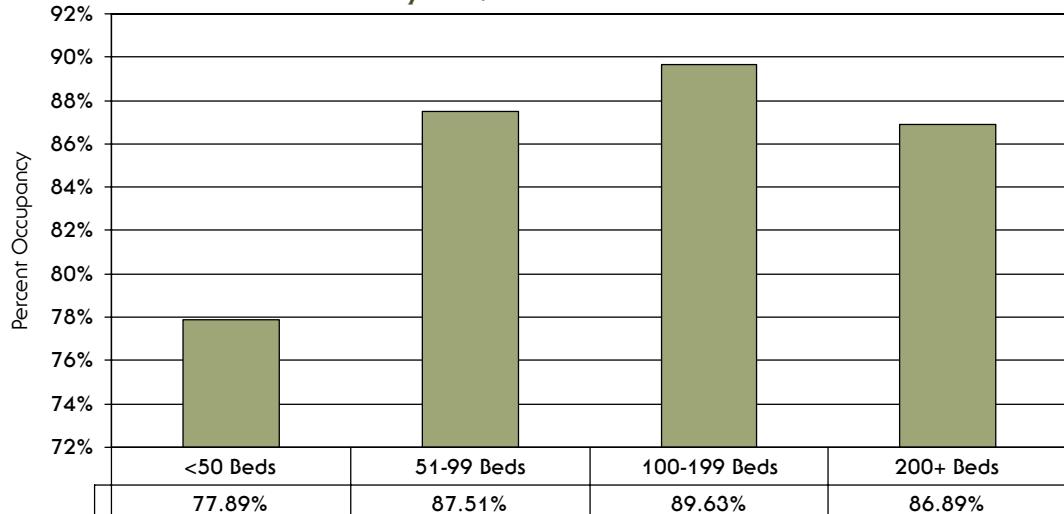
NOTE: Data excludes Charlotte Hall Veterans Home

Data on operating occupancy levels by bed size category, shown in [Figure 2](#) and also in Appendix A, [Table A-2](#), indicate that smaller facilities (under 50 beds) experienced lower operating occupancy rates than larger facilities. In fiscal year 2003, 43 facilities operating less than 50 nursing home beds had an operating occupancy rate of 77.89 percent. Facilities operating between 50 and 99 beds reported an operating occupancy rate of 87.51 percent. The highest operating occupancy rates occurred in facilities with 100 to 199 operating beds at 89.63 percent, while facilities with 200 beds and over had an operating occupancy rate of 86.89 percent.

The distribution of nursing home facilities by percent occupancy is provided in [Figure 3](#) and also in Appendix A, [Table A-3](#). Overall, almost one half (112) of Maryland's nursing homes had operating occupancy rates of less than 89 percent in fiscal year 2003. Seventy-two (72) of these facilities reported that less than 85 percent of their beds were occupied in fiscal year 2003. This is a decrease of 3 facilities reporting occupancies less than 85 percent compared to 2002. Forty of these facilities reported occupancies between

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Figure 2
Nursing Home Occupancy by Number of Beds:
Maryland, Fiscal Year 2003

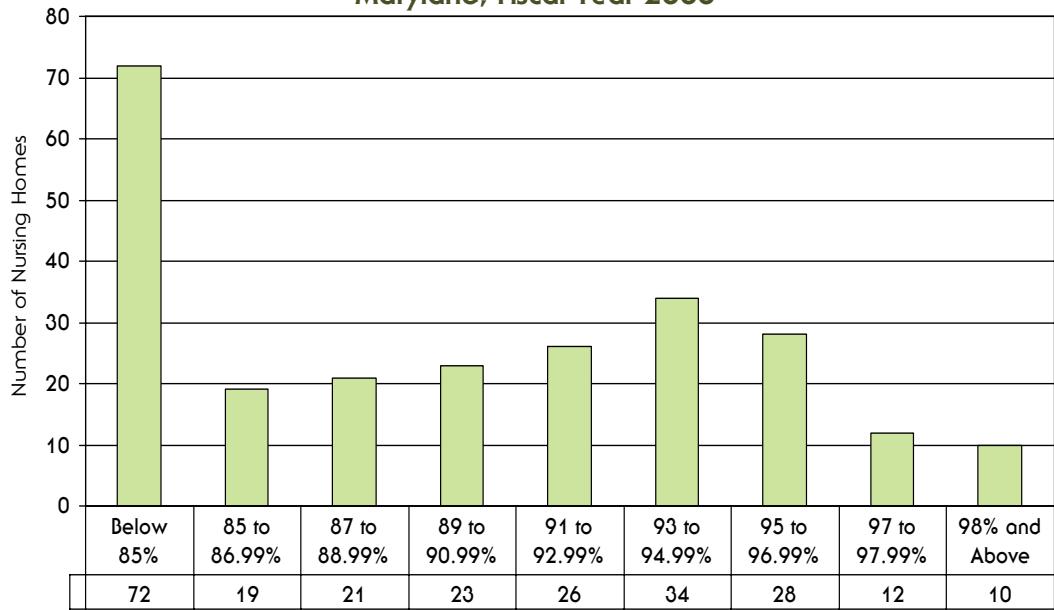


Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

NOTE: Data excludes Charlotte Hall Veterans Home.

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Figure 3
Distribution of Nursing Homes by Operating Occupancy Rate:
Maryland, Fiscal Year 2003



Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

NOTE: Excludes Charlotte Hall Veterans Home.

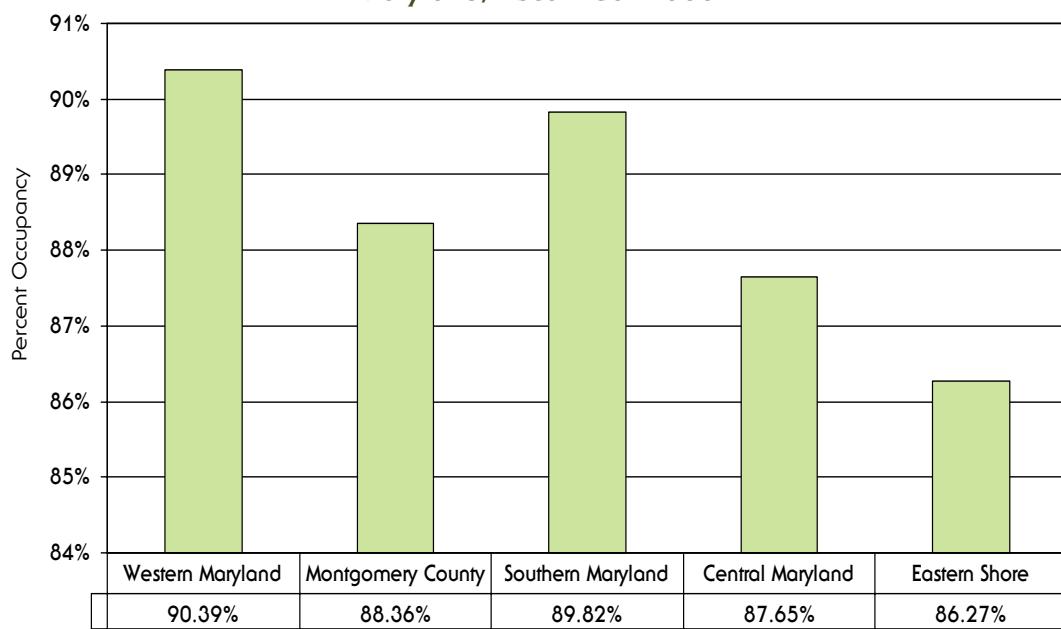
85 and 89 percent. Eighty-three facilities had operating occupancy rates between 89 and 95 percent, compared to 76 facilities in 2002. Fifty facilities had operating occupancy rates over 95 percent in both 2002 and 2003.

Regional Nursing Home Operating Occupancy

Jurisdiction-specific nursing home operating occupancy rates ranged from 95.76 percent (94.52 in 2002) to 79.19 percent (72.73 in 2002) in fiscal year 2003. Appendix A, **Table A-4** shows counties' operating occupancy ranked from highest to lowest. Analysis of data on regional patterns of nursing home operating occupancy indicates that individual facilities located in 15 of Maryland's 24 jurisdictions had occupancy rates of 95 percent or above. For the second year in a row Allegany County, which had 9 facilities, reported the highest operating occupancy rate (95.76 percent) of all Maryland jurisdictions. Also for the second year in a row, Kent County, with three nursing homes, ranked second in operating occupancy at 93.44 percent. Among the top five counties were Harford County (91.85 percent), Charles County (91.72 percent) and Garrett County (91.51 percent).

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Figure 4
Nursing Home Occupancy by Region:
Maryland, Fiscal Year 2003



Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.
NOTE: Excludes Charlotte Hall Veterans Home.

Table 1
Nursing Home Occupancy by Jurisdiction and Region: Maryland, Fiscal Year 2003

Planning Region/Jurisdiction	Percent Operating Occupancy by Region and Jurisdiction
Western Maryland	90.39%
Allegany County	95.76%
Carroll County	90.24%
Frederick County	90.11%
Garrett County	91.51%
Washington County	86.39%
Montgomery County	88.36%
Southern Maryland (1)	89.82%
Calvert County	88.86%
Charles County	91.72%
Prince George's County	89.90%
St. Mary's County (1)	87.75%
Central Maryland	87.65%
Anne Arundel County	88.75%
Baltimore County	87.39%
Baltimore City	87.26%
Harford County	91.85%
Howard County	84.40%
Eastern Shore	85.27%
Caroline County	90.60%
Cecil County	86.01%
Dorchester County	83.33%
Kent County	93.44%
Queen Anne's County	81.55%
Somerset County	90.33%
Talbot County	79.19%
Wicomico County	85.39%
Worcester County	82.27%
Maryland Total (1)	88.24%

Source: Maryland Health Care Commission, 2003 Maryland Long Term Care

Survey; Maryland Medical Assistance Program, 2003 cost reports.

(1) Excludes Charlotte Hall Veteran's Home.

Countywide operating occupancies between 88 and 91 percent were reported in Caroline, Somerset, Carroll, Frederick, Prince George's, Calvert, Anne Arundel, and Montgomery Counties. Jurisdictions reporting operating occupancy rates below 88 percent in fiscal year 2003 included St. Mary's, Washington, Cecil, Baltimore City, Wicomico, Howard, Dorchester, Worcester, Queen Anne's, Baltimore, and Talbot Counties.

Data on nursing home occupancy by region as shown in [Table 1](#) and in [Figure 4](#) indicate that the Western Maryland region has the highest operating occupancies at 90.39 percent. The Southern Maryland region has the next highest nursing home occupancy rates at 89.82 percent, followed by Montgomery County and Central Maryland at 88.36 percent and 87.65 percent respectively. The lowest regional occupancy rate is on the Eastern Shore at 85.27 percent. Figures 5 and 6 illustrate Maryland Counties shaded by occupancy rate and number of facilities.

Figure 5

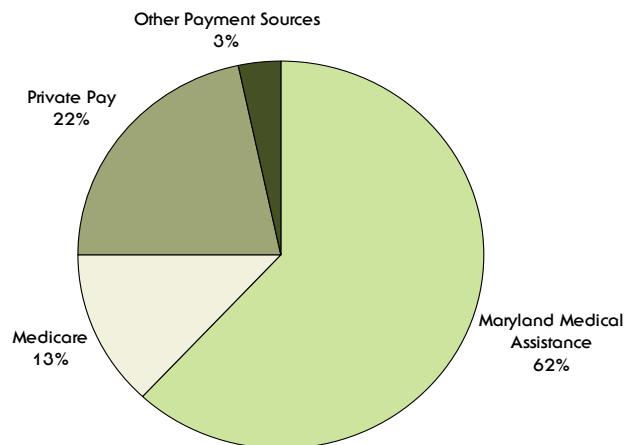
Figure 6

Utilization by Payment Source

Statewide Utilization by Payment Source

During fiscal year 2003, Maryland nursing homes provided 9,346,287 days of patient care. As shown in Figure 7, the Maryland Medical Assistance Program paid for about 62 percent of those days (5,799,894 days). Resident or family income (private pay) accounted for about 22 percent (2,033,696) of patient days. Medicare accounted for almost 13 percent (1,197,774) of total patient days, and has increased in each of the last two years. Other payers, including private insurance, HMOs and other government payers, accounted for slightly over 3 percent (314,923) of patient days.

Figure 7
Distribution of Nursing Home Patient Days by Major Payment Source:
Maryland, Fiscal Year 2003



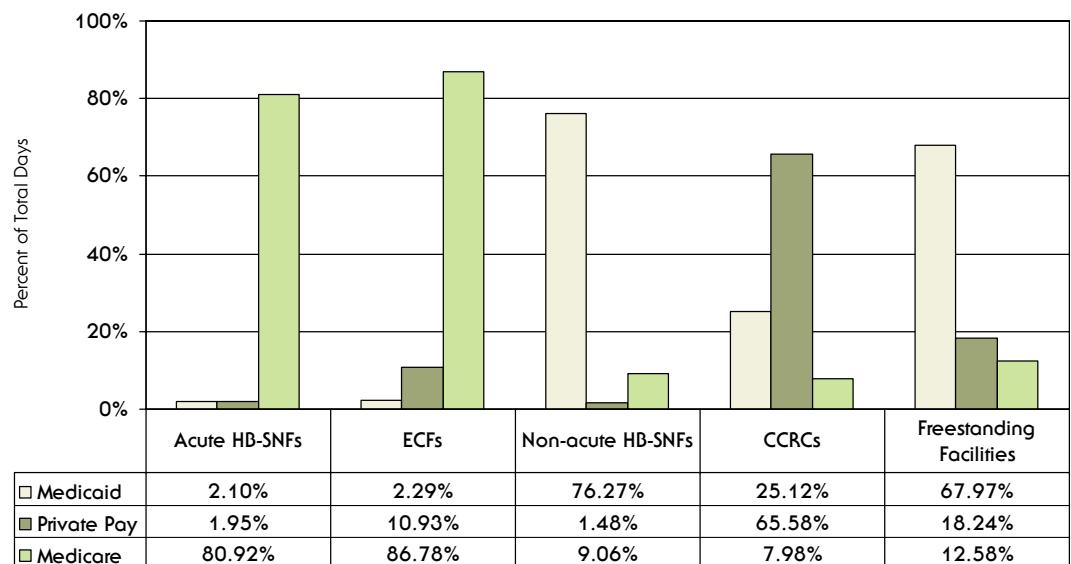
Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

NOTE: Excludes Charlotte Hall Veterans Home.

The vast majority of Maryland nursing homes participate in the Maryland Medical Assistance Program. Of the 245 comprehensive and extended care facilities licensed at the close of fiscal year 2003, 228 (93 percent) participated in the Maryland Medical Assistance Program (See Appendix A, [Table A-5](#)). Fourteen of the 17 comprehensive/ECF units that did not participate in

the Maryland Medical Assistance Program were located in CCRCs. Overall, resident income financed the majority of the care provided by nursing home units located in CCRCs. In fiscal year 2003, resident income (private pay) accounted for 65.58 percent of CCRC patient days, up from 64.39 percent in 2002. Medicaid paid for about one-quarter (25.12 percent) of patient days of care provided by CCRC nursing home units. Figure 8 shows all payer sources by facility type and illustrates that Medicare is the major payer in acute hospital-

Figure 8
**Distribution of Nursing Home Patient Days by Major Payer Source
 and Facility Type: Maryland, Fiscal Year 2003**



Source Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

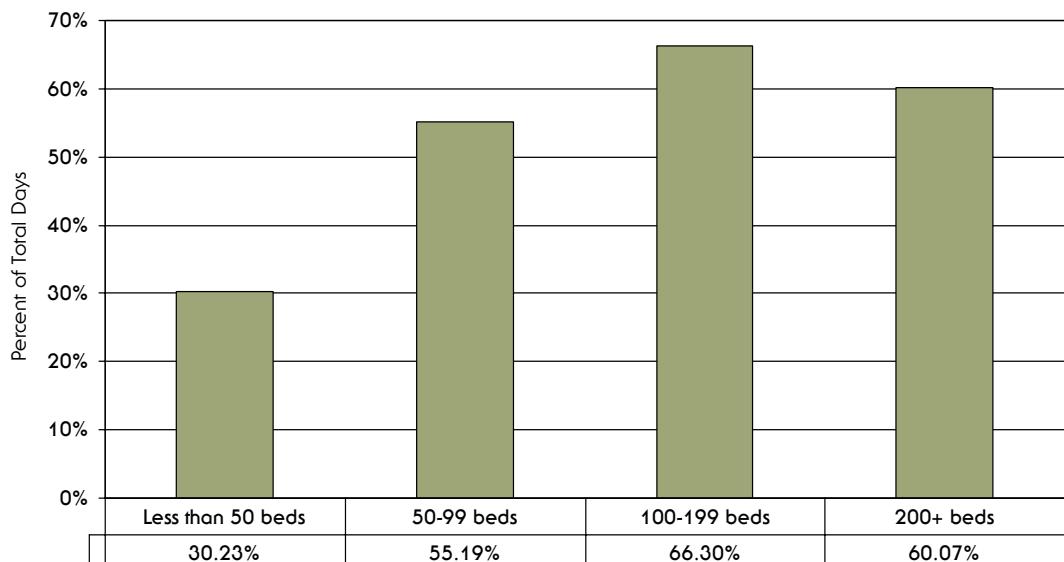
NOTE: Data excludes Charlotte Hall Veterans Home.

based skilled nursing facilities (SNFs) while Medicaid is the predominant payer in freestanding facilities and non-acute hospital-based SNFs.

Hospital-based nursing home facilities are comprised of three types: ECFs, acute hospital-based nursing facilities, and non-acute hospital-based nursing facilities. Non-acute hospital based facilities are licensed comprehensive beds located within the physical plant of a facility licensed as special hospital-chronic. Twenty-three of all 25 hospital-based nursing facilities participated in the Maryland Medical Assistance Program.

Figure 9 and Appendix A, [Table A-6](#) show the distribution of Medicaid patient days by facility size. Facilities with less than 50 beds have the lowest percentage of Medicaid patient days. This may be because many of the smaller facilities are

Figure 9
Distribution of Medicaid Patient Days by Facility Size:
Maryland, Fiscal Year 2003

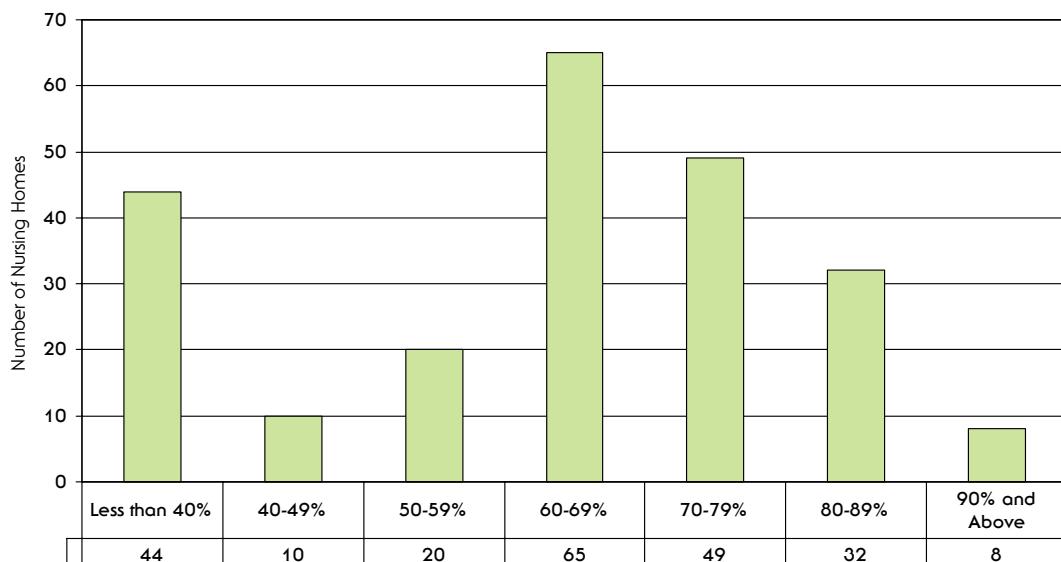


Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.
NOTE: Excludes Charlotte Hall Veterans Home.

located in CCRCs where payment for care is largely private pay or in acute hospital-based units, which are also small and largely Medicare reimbursed. The largest percentage of Medicaid patient days occur in facilities of 100 to 199 beds. This is likely because more freestanding facilities fall into this bed capacity range.

The distribution of Medicaid participating facilities by the percent of total patient days paid by the Maryland Medical Assistance Program is provided in [Figure 10](#) and Appendix A, [Table A-7](#). In 174 of the 228 Medicaid participating facilities, the Maryland Medical Assistance Program financed more than one-half of patient days of care provided during fiscal year 2003. The Maryland Medical Assistance Program paid for more than 80 percent of patient days in 40 of those facilities and between 50 and 80 percent of patient days in 134 facilities. In the remaining 54 facilities, the Maryland Medical Assistance Program accounted for less than 50 percent of the total patient days of care reported in fiscal year 2003.

Figure 10
Distribution of Nursing Homes Participating in the Medical Assistance Program by Percent of Days Paid by Medical Assistance: Maryland, Fiscal Year 2003



Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.
 NOTE: Excludes Charlotte Hall Veterans Home.

Regional Utilization Patterns by Payment Source

Table 2 and Figure 11 show the percent of patient days paid by the Maryland Medical Assistance Program by county and region. In the 45 nursing homes in the five-county Western Maryland region, the Maryland Medical Assistance Program accounted for 61.71 percent of total patient days of care. Forty-three of the 45 nursing homes in the Western Maryland region participated in the Maryland Medical Assistance Program during fiscal year 2003. Within the Western Maryland region, the proportion of care funded by the Maryland Medical Assistance Program ranged from 53.41 percent in Carroll County to 71.73 percent in Garrett County.

In Montgomery County, 36 of 38 nursing facilities participated in the Maryland Medical Assistance Program during fiscal year 2003. During fiscal year 2003, the Maryland Medical Assistance Program paid for 52.37 percent of total Montgomery County nursing home patient days of care.

The four-county Southern Maryland region was served by 31 nursing facilities in fiscal year 2003. Thirty of those facilities participated in the

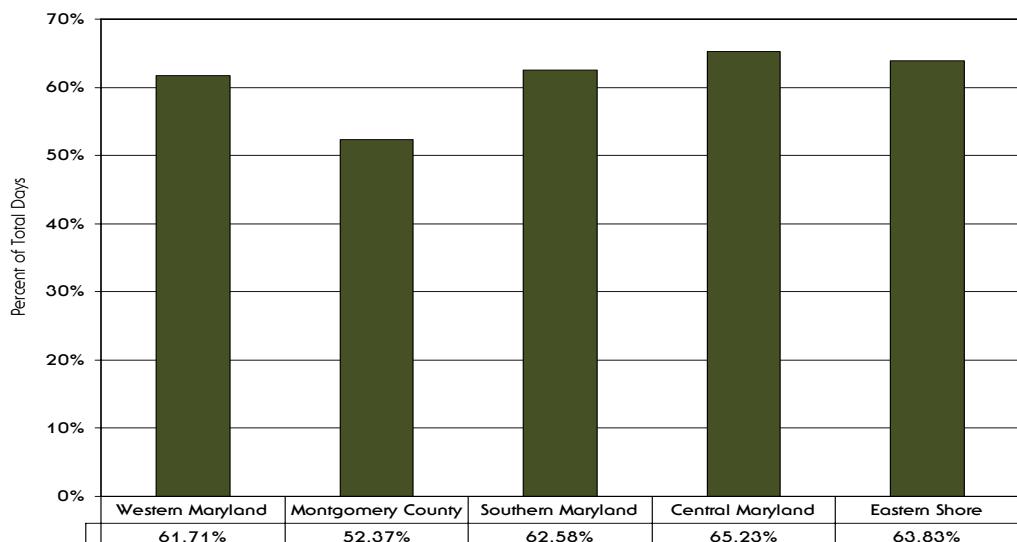
Table 2
Percent of Total Nursing Home Patient Days Paid by the Maryland Medical Assistance Program by Jurisdiction and Planning Region: Maryland, Fiscal Year 2003

Planning Region/Jurisdiction	Percent of Total Patient Days Paid by Maryland Medical Assistance Program
Western Maryland	61.71%
Allegany County	69.13%
Carroll County	53.41%
Frederick County	58.57%
Garrett County	71.73%
Washington County	61.80%
Montgomery County	52.37%
Southern Maryland (1)	62.58%
Calvert County	59.02%
Charles County	68.53%
Prince George's County	60.69%
St. Mary's County (1)	74.84%
Central Maryland	65.23%
Anne Arundel County	62.56%
Baltimore County	58.21%
Baltimore City	76.39%
Harford County	63.42%
Howard County	57.70%
Eastern Shore	63.83%
Caroline County	63.29%
Cecil County	58.75%
Dorchester County	68.57%
Kent County	55.33%
Queen Anne's County	65.22%
Somerset County	79.61%
Talbot County	48.51%
Wicomico County	68.05%
Worcester County	68.02%
Maryland Total (1)	62.06%

Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program, 2003 cost reports.

(1) Excludes Charlotte Hall Veteran's Home.

Figure 11
Distribution of Nursing Home Patient Days Paid by the Maryland Medical Assistance Program by Region: Maryland Fiscal Year 2003



Source: Maryland Health Care Commission, 2003 Maryland Long Term Care Survey; Maryland Medical Assistance Program 2003 cost reports.

NOTE: Excludes Charlotte Hall Veterans Home.

Medicaid program. Overall, the Maryland Medical Assistance Program paid for 62.58 percent of nursing home days provided in Southern Maryland during fiscal year 2003. The proportion of care financed by the Maryland Medical Assistance Program in Southern Maryland ranged from 59.02 percent in Calvert County to 74.84 percent in St. Mary's County.

Among Central Maryland facilities, the Maryland Medical Assistance Program paid for 65.23 percent of total nursing home patient days in fiscal year 2003. Of the 107 facilities licensed for comprehensive and extended care in Central Maryland, 97 participated in the Medicaid program. Within the Central Maryland region, Maryland Medical Assistance Program funding of nursing home care ranged from 57.70 percent in Howard County to 76.39 percent in Baltimore City.

The Eastern Shore region was served by 24 nursing homes in fiscal year 2003. The Maryland Medical Assistance Program, in which twenty-two facilities participated, financed 63.83 percent of total nursing home patient days of care during the reporting period. Within the Eastern Shore region, Maryland Medical Assistance Program funding ranged from 48.51 percent of patient days in Talbot County to 79.61 percent in Somerset County.

Table A-8 in Appendix A shows Medicaid percent of patient days in Maryland counties ranked from highest to lowest. Both the highest and the lowest Medicaid utilization rates occur in Eastern Shore Counties. Somerset County (two nursing homes) has the highest rate at 79.61 percent and Talbot County (three nursing homes) has the lowest at 48.51 percent. Two of the three nursing homes in Talbot County are an acute hospital-based skilled nursing facility (Memorial Hospital at Easton) and a continuing care retirement community (William Hill Manor Health Care Center). Both types of facilities typically report low Medicaid utilization, which may account for low Medicaid utilization in Talbot County.

Figures 12 and 13 illustrate Maryland Counties shaded by Medicaid utilization rates and the number of Medicaid participating facilities.

Figure 12

Figure 13